WE CLAIM:

1. A process for the preparation of 1-(9 H-carbazol-4-yloxy)-3-[[2-(2-methoxyphenoxy)-ethyl] amino]-propan-2-ol, (Carvedilol) comprising:
   (a) reacting 4-hydroxy carbazole of formula (IV) with epichlorhydrin
   in presence of an organic solvent and a base
   at temperatures between 10^0C - 30^0C
   (b) further reacting the resultant 4-(2,3-epoxypropoxy)-carbazole of formula (II) with a salt of 2-(2-methoxyphenoxy) ethylamine of formula (III), preferably hydrochloride salt
   in presence of a base
   and a hydroxylic solvent
   at temperatures between 30 ^{0}C - 90 ^{0}C.

2. A process as claimed in claim 1, wherein the preferred base is inorganic base preferably alkali metal hydroxide, more preferably sodium hydroxide in aqueous form.
3. A process as claimed in claim 1(b), wherein the molar equivalent of base is employed may be from 1 mole to 6 moles, preferably 1.1 molar equivalents based on 4-hydroxy carbazole moles.
4. A process as claimed in claim 1(a), wherein the said organic solvent is selected from alcohols, cyclic ethers, dipolar aprotic solvents and glycol ethers, preferably water miscible (C1-C4) alcohols but, more preferably isopropyl alcohol.
5. A process as claimed in claim 1(b), wherein the said hydroxylic solvent is water or C_1-C_4 alcohols like methyl alcohol, ethyl alcohol, isopropyl alcohol, butyl alcohol or mixtures thereof but preferably water.
6. A process as claimed in claim 1(a), wherein the preferred temperature range is 20-30 ^{0}C in the reaction between 4-hydroxy carbazole of formula (IV) and epichlorhydrin.

7. A process as claimed in claim 1(b), where in the preferred temperature range is 80 ^{0}C - 90 ^{O}C in the reaction between the compounds of formula II and formula III.
8. A process for preparation of Carvedilol as substantially described herein with reference to the foregoing examples 1 to 2.